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BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268–0001

| PERIODIC REPORTING | |
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| (PROPOSAL ONE) | |
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Docket No. RM2018-4

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO PUBLIC REPRESENTATIVE MOTION REGARDING INFORMATION REQUEST

(June 7, 2018)

In the form of a motion seeking issuance of an information request, filed on May 31, 2018, the Public Representative posed certain questions regarding Proposal One. The Postal Service hereby responds to that motion. While the Postal Service fully endorses what it believes to be the mutually shared objective of expeditious consideration of this proposal, the three items submitted by the Public Representative are distinct, and each requires separate discussion.

The first item relates to the Impact spreadsheet attached to the Postal Service's May 17th Petition regarding Proposal One. By separate Notice, the Postal Service has today filed revisions to that spreadsheet. The revised Excel file largely renders moot the first item, which mostly addressed perceived cosmetic deficiencies in the presentation of the spreadsheet. Where necessary, those deficiencies have now been corrected. In contrast, contrary to what is suggested in the question (subparts e.-g.), in both the original and revised version of the file, the values in Column S were appropriately calculated by dividing the values in Column R by the values in Column V, as indicated in the column S heading. With respect to the components of the unit cost

calculation (subpart h.), the unit costs displayed each year in the CRA are total costs divided by RPW volumes. To best represent the impact of the cost changes associated with this proposal on reported unit costs in the CRA, which is the standard approach employed in these types of proceedings to evaluate impact, it is necessary to divide the total cost changes by RPW volumes. If desired, other types of "unit" cost effects could be calculated using different volumes in the denominator, if such volumes were available.

The second item relates to the documentation PDF file also submitted with the Petition. The Postal Service can confirm both of the assertions for which confirmation was sought in subparts a. and c. Additionally, the information requested in subpart e. is attached at the end of this Response.

The third item relates to an analysis provided several years ago (November 6, 2015) in response to an Information Request in an entirely separate proceeding. The Public Representative not only seeks to have the Postal Service replicate the earlier analysis for the one mail category examined at that time, but further requests that it be expanded to three additional categories. Because of alternative reliance on census systems, the Postal Service does not even generate sample estimates for large portions of those additional categories, making the requested expansion difficult to comprehend. The Postal Service sees no material nexus between the materials sought and the current Proposal One. The purpose of the earlier analysis was to evaluate the ODIS-RPW estimation process, yet neither CCCS nor RCCS ever relied upon the previous or the current version of that ODIS-RPW estimation process. The lack of relevance of the requested update is underscored by the fact that no apparent need for these materials

was identified when the Commission approved the parallel Proposal Nine regarding

CCCS last year in Order No. 4278 (RM2017-13, December 15, 2017). Moreover, the

earlier data presentation is nothing the Postal Service generates on a routine basis that

could be easily provided. Instead, a material burden would be imposed to generate any

type of analysis of this type. Consequently, the Postal Service opposes the motion of

the Public Representative with respect to the third proposed item submitted with the

motion.

Between the material provided with this pleading and the contents of the revised

Impact spreadsheet, the Postal Service is of the view that adequate information is now

available to the Public Representative and the Commission to address those issues that

actually relate to Proposal One that are raised by the May 31st Motion. Beyond that,

the Postal Service submits that nothing further should be required. On that basis, the

Postal Service opposes any further favorable action in response to the Public

Representative's motion.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

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June 7, 2018

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ATTACHMENT

Name and description of data fields expected to appear in the Z file referenced on page 5 of the documentation attached to the Petition for Proposal One:

| Variable | Description |
|---------------|----------------------------------------------------------------|
| MAILCODE | Mailcode for the record |
| NAME | Description of the mailcode |
| BKTCHAR | Letter Character |
| BKTNUM | Bucket Number |
| TESTID | Identification number for test |
| SKIP | Skip interval for record |
| SEQ | Record number from test |
| NOPIECES | Total mailpieces for the entry weighted by the skip interval |
| EOR | End of Run Total for Rural DPS for tested zip code on test day |
| TOTAL_SAMPLED | Total of all RCCS DPS mail tested in PQ in digital frame |
| CONTROL_TOTAL | Total of all RCCS DPS mail for the PQ in digital frame |
| DELWGT | First Stage Weight |
| WGT | DELWGT / 1000 |